

Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 10007 061940Z

64

ACTION EUR-12

INFO OCT-01 NEA-10 ISO-00 AGR-05 STR-04 AID-05 CEA-01

CIAE-00 COME-00 EB-07 FRB-03 INR-07 NSAE-00 CIEP-01

SP-02 TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 L-03 /068 W

----- 031509

R 061737Z NOV 75

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 9917

INFO ALL EC CAPITALS 1288

AMEMBASSY CAIRO

AMEMBASSY TEL AVIV

LIMITED OFFICIAL USE EC BRUSSELS 10007

PASS AGRICULTURE

E.O. 11652: N/A

TAGS: EAGR, PFOR, EG, EEC

SUBJECT: EC FOREIGN MINISTERS COUNCIL, NOVEMBER 5: LONG-TERM
SUPPLY CONTRACTS FOR EGYPT

REF: EC BRUSSELS 9040

1. BEGIN SUMMARY: THE EC FOREIGN MINISTERS, AT THEIR COUNCIL MEETING IN BRUSSELS ON NOVEMBER 5, WERE ABLE TO AGREE IN PRINCIPLE TO LONG TERM FOOD SUPPLY CONTRACTS FOR EGYPT WITH ONLY A "FEW TECHINCAL DETAILS" REMAING TO BE WORKED OUT IN THE EC COMMISSION AND MANAGEMENT COMMITTEE. EC AGRICULTURAL COMMISSIONER LARDINOIS TOLD REPORTERS FOLLOWING THE COUNCIL MEETING THAT HE THOUGHT AN AGREEMENT WOULD BE CONCLUDED WITHIN THREE MONTHS. END SUMMARY.

2. AT THE EC FOREIGN MINISTERS COUNCIL HELD IN BRUSSELS ON NOVEMBER 5, THS MINISTERS TOOK A POSITIVE DECISION IN PRINCIPLE REGARDING LONG-TERM SUPPLY CONTRACTS FOR EGYPT. THE FINAL MANDATE TO THE COMMISSION REPRESENTED THE FULFILL-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 10007 061940Z

MENT OF A NUMBER OF CONDITIONS SET FORTH BY THE GERMAN

DELEGATION AT THE FOREIGN MINISTERS COUNCIL HELD IN LUXEMBOURG ON OCTOBER 6 AND 7. ACCORDING TO A POST-COUNCIL PRESS BRIEFING GIVEN BY EC AGRICULTURAL COMMISSIONER LARDINOIS, THE AGREEMENT WILL NOT CONSTITUTE A PRECEDENT AND IS "ONLY EXPERIMENTAL." EC COUNCIL PRESIDENT RUMOR AT THE PRESS CONFERENCE FOLLOWING THE MEETING EMPHASIZED THAT THE AGREEMENT WITH EGYPT WAS BEING CONCLUDED "FOR POLITICAL REASONS" AND THAT IT WAS NOT THE COUNCIL'S INTENTION "TO AGREE TO FURTHER AGREEMENTS OF THIS TYPE." BUT WIJNMAALEN, LARDINOIS' CHIEF OF CABINET, TOLD US THAT THE COMMISSION STILL INTENDS TO NEGOTIATE SIMILAR AGREEMENTS WITH OTHER NORTH AFRICAN AND MIDDLE EASTERN COUNTRIES.

3. AROUND 20,000 TONS OF SKIMMED MILK POWDER ARE TO BE DELIVERED IN 1976 UNDER THE CONTRACT INSTEAD OF 10,000 M.T. FOR TWO YEARS AS PREVIOUSLY WORKED OUT. LARDINOIS SAID THAT NO EXPORT SUBSIDY WOULD BE PAID ON THE SUGAR, OF WHICH 75,000 TONS ARE TO BE SUPPLIED PER YEAR, FOR THREE YEARS AT THE COMMUNITY PRICE.

4. THE ONE-YEAR SUPPLY PERIOD FOR WHEAT IS UNCHANGED. THE WHEAT PRICE FORK REMAINS AT \$120-\$175 PER METRIC TON. THE ONE MILLION TONS OF WHEAT WILL BE DIVIDED INTO APPROXIMATELY 800,000 TONS OF WHEAT AND 200,000 TONS OF FLOUR IN WHEAT EQUIVALENT, ALTHOUGH THE COMMISSION WILL MAKE THE FINAL DECISION ON THESE QUANTITIES VIA THE MANAGEMENT COMMITTEE ROUTE.

5. ALL SALES WILL BE MADE BY THE PRIVATE TRADE, AND SUCH SALES WILL NOT BE LINKED TO THE COMMUNITY'S FOOD AID PROGRAM. LARDINOIS SAID THAT THE COMMISSION HAD INFORMED OTHER (UNSPECIFIED) FOOD PRODUCING COUNTRIES OF THE COMMUNITY'S INTENT TO NEGOTIATE THE AGREEMENT. WIJNMAALEN TOLD US LATER THAT THIS WAS IN RESPONSE TO GERMAN INSISTENCE EXPRESSED AT THE OCTOBER 6-7 FOREIGN MINISTERS COUNCIL (REFTEL) THAT THE US BE INFORMED, THOUGH HE AND LARDINOIS ARE MAKING A CLEAR DISTINCTION BETWEEN "INFORM" AND "CONSULT". IT IS NOT THEIR INTENTION TO CONSULT WITH US PRIOR TO THE CONCLUSION OF FUTURE, LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 10007 061940Z

SIMILAR AGREEMENTS, HE SAID.

6. LARDINOIS SAID THAT SOME DETAILS REMAIN TO BE WORKED OUT, BOTH WITHIN THE COMMISSION AND IN THE MANAGEMENT COMMITTEE. HE SAID HE WAS NOT PLANNING A TRIP TO CAIRO AT THIS TIME BUT WOULD INFORM THE EGYPTIAN AGRICULTURAL MINISTER ON NOVEMBER 6 AND INVITE HIM TO SEND EXPERTS TO BRUSSELS FOR FURTHER CONSULTATIONS. LARDINOIS SAID HE EXPECTED THAT THE AGREEMENT WOULD BE CONCLUDED WITHIN

THREE MONTHS. GREENWALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUPPLIES, FOREIGN MINISTERS MEETINGS, MEETING PROCEEDINGS, ASSISTANCE CONTRACTS (AID), FOOD ASSISTANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 06 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: buchantr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ECBRU10007
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750387-0007
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751169/aaaacjpx.tel
Line Count: 116
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 EC BRUSSELS 9040
Review Action: RELEASED, APPROVED
Review Authority: buchantr
Review Comment: n/a
Review Content Flags:
Review Date: 23 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 APR 2003 by BoyleJA>; APPROVED <16 OCT 2003 by buchantr>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC FOREIGN MINISTERS COUNCIL, NOVEMBER 5: LONG-TERM SUPPLY CONTRACTS FOR EGYPT
TAGS: EAGR, PFOR, EG, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006